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**Report Highlights:**

**Abundant supplies of high-quality, low priced-fruit this year will result in near-record imports of U.S. fresh grapefruit and oranges, with imports from all sources projected to reach 290,000 tons and 160,000 tons, respectively. Imports of fresh lemons are projected to be up slightly from last year at 90,000 tons.**

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## Unusually High Fresh Grapefruit Stocks Push Prices Down

With approximately 3 million cartons (51,000 MT) of Florida grapefruit in cold storage (roughly 800,000 - 900,000 cartons (13,600 - 15,300 MT) above normal levels for early May), traders are slashing prices to clear inventories, with wholesale prices reportedly down 10-20 percent from this time last year. While purchases for the remainder of this season are expected to be slower than normal, overall U.S. grapefruit imports for the 99/00 season should top 10 million cartons, up 5 to 10 percent from last year.

The current oversupply situation is largely due to slower than normal demand in February and March, dampened by unusually cold and wet weather in Japan that reduced overall fruit sales. Sales have picked up since mid-April, with more seasonal temperatures, and movement will pick up further this week as national chains are launching a major fresh grapefruit promotion during the Golden Week holiday (April 29 - May 7), which is traditionally the prime marketing season for U.S. citrus products.

The quality of this season's U.S. grapefruit is relatively good with fairly high Brix levels. Tokyo traders are reporting particularly good quality on rubys this year. The current wholesale prices are unusually low reflecting high stock levels. Both white and ruby grapefruits are currently traded at Tokyo's Ohta Market at 3,000 - 2,500 yen (\$28.57 - \$23.80) for a carton (17 kilograms) of sizes 27, 32 and 36. While, size 40s are traded at 2,500 - 2,300 yen (\$23.80 - \$21.90) and size 48s at 2,300 - 2,000 yen (\$21.90 - \$19.04.) Retail prices are largely varied from store to store affected by some stock clearance prices. Tokyo's major supermarket sells at 130 - 150 yen (\$1.23 - \$1.42) for a large sized fruit, and 80 - 100 yen (\$0.76 - \$0.95) for a medium sized fruit. A plastic bag of 6 medium sized grapefruit is also sold at 398 - 498 yen (\$3.79 - \$4.74.)

## Japanese Fresh Orange Imports Projected to Rebound to 160,000 Tons in 99/00

Fueled by low prices and abundant supplies of high quality U.S. fruit, Japanese imports of fresh oranges are expected to reach a near-record 160,000 tons this year, rebounding strongly from reduced sales last season (due to the December, 1998 freeze). Similar to the current oversupply situation on grapefruit, traders are currently holding higher than normal stocks (with over 600,000 cartons (10,200 tons) in cold storage), but with warmer weather, demand is picking up as U.S. fresh orange marketing has entered its prime season.

Currently, California Navels are marketed nation wide and the marketing continues until mid May. The taste of California Navels has recently peaked with traders reporting high Brix levels and good acidity. The movement of the fruit has been very steady and will likely be accelerated during Japan's Golden Week Holiday (April 29 - May 7.) California's Valencias have just arrived and the sales are switching to Valencias in May.

Currently, California Navels are traded at Tokyo's Ohta Wholesale Market at 3,000 - 2,800 yen (\$28.57 - \$26.66) for a carton (17 kilograms) of size 56, 2,500 yen (\$23.80) for size 72, and 2,300 - 2,000 yen (\$21.90 - \$19.04) for size 88. Valencias are also traded at similar prices. California Navels are presently sold at Tokyo's supermarket at roughly 100 yen (\$0.95) for a medium sized fruit. Navels are largely sold in bags and are priced at 398 yen (\$3.79) for 6 medium sized fruit, and at 298 yen (\$2.83) at a sales promotional day.

## Japanese Fresh Lemon Imports Continue Steady

Japanese lemon market is fairly stable this season with imports expected to be roughly unchanged from sales last year. Recently, Japanese traders have struggled with high inventories, currently estimated at roughly 223,000 cartons (3,791 MT), and resultant low prices. The quality of U.S. lemons currently on the market is excellent, which should boost demand near-term. Currently, California lemons are traded at Tokyo's Ohta Market at 3,200 - 3,000 yen (\$30.47 - \$28.57) for a carton (17 kilograms) of size 95 and 115. While, sizes 140s and 165s are traded at 3,300 yen (\$31.42.) Tokyo supermarket retails fresh lemons at 98 yen (\$0.93) for a large sized fruit, and at 198 yen (\$1.88) for a plastic bag of 3 lemons.

### **Chile and Spain Share of Japan's Fresh Lemon Market Continues to Expand**

The United States is by far the largest supplier of fresh lemons to the Japanese market. However, Chile and Spain have significantly increased shipments of lemons to Japan, particularly in the summer season when the quality of U.S. lemons usually declines. However, this year, while comparatively small, sales from alternative suppliers are picking up even during the winter months. In the January - March period of 2000 alone, Chile supplied 13,140 cartons (223 MT) of fresh lemons to Japan, up 90 percent from the same period last year. While, Spain shipped 19,392 cartons (330 MT), more than three-folds of the level of the last season.

### **Japan's Beverage Manufacturers Increase Production of Citrus Juice Products.**

Citrus juice products have been recovering market share, where once lost to the various tea drinks such as Japanese green tea, Chinese tea and herb tea products, according to Tokyo's traders. Lately, soft drinks with some content of natural fruit juice have been a big hit in the Japanese market and this trend is expected to continue through this season.

Japan's major beverage manufacturers (Suntory, Asahi Beverage, Coca Cola, etc.) marketed new soft drinks that contain 10 - 30 percent of natural fruit juice. Kirin Beverage, Japan's major Brewery, will launch a big sales promotion for 100 percent natural orange juice this season. While, Coca Cola will focus their sales efforts on pure orange and grapefruit juices.

Lawson's, a major convenience store chain, will market 100 percent natural straight juices (oranges and grapefruit) under Lawson's private brand this season. The juices will be sold at 130 yen (\$1.23) for a 200 milliliter paper pack container. Starbucks, a major U.S. coffee shop chain, market straight type (100 percent natural) orange and grapefruit juices, retailing at 300 - 400 yen (\$2.85 - \$3.80) for a 300 milliliter plastic bottle.

## PS&D Tables and Trade Matrices

### Fresh Orange PS&D Table

PSD Table						
Country	Japan					
Commodity	Fresh Oranges				(HECTARES)(1000 TREES)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		10/1997		10/1998		10/1999
Area Planted	2020	2020	1720	1720	1600	1600
Area Harvested	1990	1990	1700	1700	1580	1580
Bearing Trees	1194	1194	1020	1020	948	948
Non-Bearing Trees	54	54	36	36	36	36
TOTAL No. Of Trees	1248	1248	1056	1056	984	984
Production	24	24	21	21	20	20
Imports	151	151	91	96	155	160
TOTAL SUPPLY	175	175	112	117	175	180
Exports	0	0	0	0	0	0
Fresh Dom. Consumption	173	173	110	115	173	178
Processing	2	2	2	2	2	2
TOTAL DISTRIBUTION	175	175	112	117	175	180

**Orange Juice PS&D Table**

PSD Table						
Country	Japan			65	Degrees Brix	
Commodity	Juice, Orange				(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		10/1997		10/1998		10/1999
Deliv. To Processors	2	2	2	2	2	2
Beginning Stocks	5000	5000	15000	15000	5000	5000
Production	200	200	200	200	200	200
Imports	106405	106405	81705	81705	90000	100000
TOTAL SUPPLY	111605	111605	96905	96905	95200	105200
Exports	0	0	0	0	0	0
Domestic Consumption	96605	96605	91905	91905	90200	95200
Ending Stocks	15000	15000	5000	5000	5000	10000
TOTAL DISTRIBUTION	111605	111605	96905	96905	95200	105200

**Fresh Orange Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Oranges		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1997		1998
U.S.	129749	U.S.	52220
Others		Others	
South Africa	13016	South Africa	13846
Australia	5491	Australia	12800
Spain	892	Spain	9512
Mexico	572	Mexico	5247
Swaziland	757	Swaziland	43
Chile	25	Chile	439
		Israel	1527
		Cuba	120
		New Zealand	124
Total for Others	20753		43658
Others not Listed	5		21
Grand Total	150507		95899

**Orange Juice Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Juice, Orange		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1997		1998
U.S.	22365	U.S.	20349
Others		Others	
Brazil	81304	Brazil	58739
Israel	115	Israel	247
Australia	249	Australia	119
Mexico	1350	Mexico	534
Italy	128	Italy	277
Total for Others	83146		59916
Others not Listed	895		1439
Grand Total	106406		81704



**Fresh Orange Wholesale Price Table**

Prices Table			
Country	Japan		
Commodity	Fresh Oranges		
Prices in	Yen	per uom	KG
Year	1999	2000	% Change
Jan	309	155	-49.84%
Feb	333	135	-59.46%
Mar	313	128	-59.11%
Apr	291		-100.00%
May	299		-100.00%
Jun	299		-100.00%
Jul	286		-100.00%
Aug	244		-100.00%
Sep	205		-100.00%
Oct	185		-100.00%
Nov	154		-100.00%
Dec	168		-100.00%
Exchange Rate	103.35	Local currency/US \$	

**Fresh Grapefruit PS&D Table**

PSD Table						
Country	Japan					
Commodity	Fresh Grapefruit				(HECTARES)(1000 TREES)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		10/1997		10/1998		10/1999
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
TOTAL No. Of Trees	0	0	0	0	0	0
Production	0	0	0	0	0	0
Imports	230	230	261	266	240	290
TOTAL SUPPLY	230	230	261	266	240	290
Exports	0	0	0	0	0	0
Fresh Dom. Consumption	230	230	261	266	240	290
Processing	0	0	0	0	0	0
TOTAL DISTRIBUTION	230	230	261	266	240	290

**Grapefruit Juice PS&D Table**

PSD Table						
Country	Japan					
Commodity	Juice, Grapefruit				(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		10/1997		10/1998		10/1999
Deliv. To Processors	0	0	0	0	0	0
Beginning Stocks	2000	2000	2000	2000	2000	2000
Production	0	0	0	0	0	0
Imports	12446	12446	16735	16735	17000	19000
TOTAL SUPPLY	14446	14446	18735	18735	19000	21000
Exports	0	0	0	0	0	0
Domestic Consumption	12446	12446	16735	16735	17000	19000
Ending Stocks	2000	2000	2000	2000	2000	2000
TOTAL DISTRIBUTION	14446	14446	18735	18735	19000	21000

**Fresh Grapefruit Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Grapefruit		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1997		1998
U.S.	185929	U.S.	213060
Others		Others	
Israel	23650	Israel	15423
South Africa	14077	South Africa	30062
Swaziland	6268	Swaziland	7326
New Zealand	9	Cuba	422
		New Zealand	4
		China	17
Total for Others	44004		53254
Others not Listed	4		22
Grand Total	229937		266336

**Grapefruit Juice Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Juice, Grapefruit		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1997		1998
U.S.	11466	U.S.	14759
Others		Others	
Israel	405	Israel	960
Total for Others	405		960
Others not Listed	575		1015
Grand Total	12446		16734

**Fresh Grapefruit Wholesale Price Table**

Prices Table			
Country	Japan		
Commodity	Fresh Grapefruit		
Prices in	Yen	per uom	KG
Year	1999	2000	% Change
Jan	144	142	-1.39%
Feb	152	136	-10.53%
Mar	159	144	-9.43%
Apr	159		-100.00%
May	166		-100.00%
Jun	172		-100.00%
Jul	171		-100.00%
Aug	155		-100.00%
Sep	146		-100.00%
Oct	152		-100.00%
Nov	157		-100.00%
Dec	150		-100.00%
Exchange Rate	103.35	Local currency/US \$	

**Fresh Lemon PS&D Table**

PSD Table						
Country	Japan					
Commodity	Fresh Lemons				(HECTARES)(1000 TREES)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		10/1997		10/1998		10/1999
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
TOTAL No. Of Trees	0	0	0	0	0	0
Production	2	2	2	2	2	2
Imports	87	87	85	86	86	90
TOTAL SUPPLY	89	89	87	88	88	92
Exports	0	0	0	0	0	0
Fresh Dom. Consumption	89	89	87	88	88	92
Processing	0	0	0	0	0	0
TOTAL DISTRIBUTION	89	89	87	88	88	92

**Lemon Juice PS&D Table**

PSD Table						
Country	Japan					
Commodity	Juice, Lemon				(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		10/1997		10/1998		10/1999
Deliv. To Processors	0	0	0	0	0	0
Beginning Stocks	2000	2000	2000	2000	2000	2000
Production	0	0	0	0	0	0
Imports	8868	8868	10647	10647	0	12000
TOTAL SUPPLY	10868	10868	12647	12647	2000	14000
Exports	0	0	0	0	0	0
Domestic Consumption	8868	8868	10647	10647	0	12000
Ending Stocks	2000	2000	2000	2000	0	2000
TOTAL DISTRIBUTION	10868	10868	12647	12647	0	14000



**Fresh Lemon Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Lemons		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1997		1998
U.S.	77530	U.S.	74665
Others		Others	
Chile	4708	Chile	5618
Australia	2022	Australia	2147
South Africa	1791	South Africa	2644
New Zealand	488	New Zealand	941
Spain	17	Spain	248
Mexico	15		
Total for Others	9041		11598
Others not Listed	2		3
Grand Total	86573		86266

**Lemon Juice Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Juice, Lemon		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1997		1998
U.S.	1076	U.S.	998
Others		Others	
Israel	4049	Israel	4342
Italy	2101	Italy	3446
Argentina	1475	Argentina	1607
Total for Others	7625		9395
Others not Listed	168		253
Grand Total	8869		10646

**Fresh Lemon Wholesale Price Table**

Prices Table			
Country	Japan		
Commodity	Fresh Lemons		
Prices in	Yen	per uom	KG
Year	1999	2000	% Change
Jan	248	258	4.03%
Feb	243	242	-0.41%
Mar	227	224	-1.32%
Apr	229		-100.00%
May	247		-100.00%
Jun	246		-100.00%
Jul	238		-100.00%
Aug	251		-100.00%
Sep	277		-100.00%
Oct	305		-100.00%
Nov	271		-100.00%
Dec	241		-100.00%
Exchange Rate	103.35	Local currency/US \$	

## Trade Tables

### Fresh Orange Imports for the October-February Period

0805.10-000 (Fresh Oranges)						
	1998	1999		1999	2000	
(MT)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	15,234	6,366	21,600	9,037	22,446	31,483
United States	10,934	6,140	17,074	4,918	21,949	26,867
South Africa	0	0	0	0	0	0
Australia	4,257	0	4,257	3,917	0	3,917
Spain	0	0	0	0	458	458
Mexico	0	226	226	0	0	0
Swaziland	0	0	0	0	0	0
New Zealand	43	0	43	103	0	103
Chile	0	0	0	100	20	120

### Fresh Grapefruit Imports for the October-February Period

0805.40-010 (Fresh Grapefruit)						
	1998	1999		1999	2000	
(MT)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	43,391	32,507	75,898	39,470	54,487	93,957
United States	30,082	30,629	60,711	23,997	51,413	75,410
Israel	12,886	1,861	14,747	14,960	3,074	18,034
South Africa	0	0	0	84	0	84
Swaziland	0	0	0	18	0	18
Cuba	422	0	422	429	0	429
New Zealand	0	0	0	0	0	0

**Fresh Lemon Imports for the October-February Period**

0805.30-010 (Fresh Lemons)						
	1998	1999		1999	2000	
(MT)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	19,504	12,601	32,105	17,816	14,439	32,255
United States	19,265	12,601	31,866	17,213	14,251	31,464
Chile	66	0	66	288	21	309
Australia	0	0	0	46	0	46
South Africa	0	0	0	0	0	0
New Zealand	173	0	173	269	62	331
Spain	0	0	0	0	102	102
Mexico	0	0	0	0	0	0

**Orange Juice Imports for the October-February Period**

2009.11-210 (Orange Juice - Single - Frozen)						
	1998	1999		1999	2000	
(KL)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	445	147	592	391	348	739
United States	348	101	449	296	242	538
Brazil	14	14	28	0	68	68
Israel	0	0	0	4	0	4
Australia	0	0	0	11	0	11
Mexico	0	0	0	0	0	0
Italy	64	31	95	102	38	140
Others	19	0	19	0	0	0
2009.11-290 (Orange Juice - Concentrate - Frozen)						
	1998	1999		1999	2000	
(KL)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	6,350	7,722	14,072	11,219	7,893	19,112
United States	1,994	2,289	4,283	2,603	1,916	4,519
Brazil	4,105	5,385	9,490	8,490	5,855	14,345
Israel	0	0	0	10	0	10
Australia	0	2	2	0	0	0
Mexico	230	35	265	53	35	88
Italy	21	8	29	26	52	78
Others	0	0	0	31	34	65
2009.19-210 (Orange Juice - Single - Not Frozen)						
	1998	1999		1999	2000	
(KL)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	223	193	416	302	213	515
United States	79	62	141	51	31	82
Brazil	0	0	0	0	0	0
Israel	0	0	0	0	0	0
Australia	114	130	244	250	173	423
Mexico	0	0	0	0	0	0
Italy	0	0	0	0	0	0

Others	30	0	30	0	9	9
2009.19-290 (Orange Juice - Concentrated - Not Frozen)						
	1998	1999		1999	2000	
(KL)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	274	447	721	10,101	1,154	11,255
United States	9	2	11	4	1	5
Brazil	0	384	384	9,889	1,118	11,007
Israel	0	0	0	0	0	0
Australia	45	0	45	16	0	16
Mexico	0	0	0	0	0	0
Italy	0	0	0	0	0	0
Others	220	59	279	189	34	223

**Grapefruit Juice Imports for the October-February Period**

2009.20-210 (Grapefruit Juice - Single)						
	1998	1999		1999	2000	
(KL)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	837	742	1,579	1,151	942	2,093
United States	424	181	605	436	111	547
Israel	203	468	671	557	766	1,323
Others	210	92	302	157	64	221
2009.20-290 (Grapefruit Juice - Concentrate)						
	1998	1999		1999	2000	
(KL)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	1,822	1,448	3,270	2,582	1,324	3,906
United States	1,562	1,320	2,882	2,401	1,165	3,566
Israel	30	77	107	46	37	83
Others	230	50	280	134	120	254

**Lemon Juice Imports for the October-February Period**

2009.30-211 (Lemon Juice)						
	1998	1999		1999	2000	
(KL)	10/98-12/98	1/99-2/99	10/98-2/99	10/99-12/99	1/00-2/00	10/99-2/00
--World--	1,348	995	2,343	1,910	1,311	3,221
United States	85	79	164	188	163	351
Israel	528	500	1,028	619	466	1,085
Italy	325	171	496	453	339	792
Argentina	266	244	510	487	335	822
Others	144	0	144	159	7	166